



State of California
Employment Training Panel

Training Proposal for:
Fong Brothers Printing, Inc.
Agreement Type: **\$75,000 or Less**
Agreement Number: **ET09-0243**

Panel Meeting of: **October 17, 2008**

ETP Regional Office: **San Francisco Bay Area**

Analyst: A. Nastari

CONTRACTOR:

- Type of Industry: Manufacturing:
Priority Industry: ☒ Yes ☐ No
- Contractor's # of Full-Time Employees:
 - California: 175
 - Worldwide: 210
 - Number to be trained: 115
- Manager/Supervisor: 13%
- Turnover Rate: 8%
- Repeat Contractor: ☐ Yes ☒ No
- Substantial Contribution: ☐ Yes ☒ No

CONTRACT:

- Training Project Profile: Priority/Retrainee
- ETP Funding Amount: \$74,520
- In Kind Contribution: \$78,650
- Average Cost per Trainee: \$648
- Post Retention Wage: \$14.02
- Health Benefits: \$2.29 per hour
- Occupations to be Trained: Administration Staff; Customer Service Staff;
General Production; Managers, Prepress/Press
Operators; Sales Staff

- Training Menu:
 - ☒ Computer
 - ☐ Commercial
 - ☒ Cont. Improvement
 - ☐ Management
 - ☒ Business
 - ☒ Other: Hazardous Materials; Manufacturing
- Advanced Technology: ☒ Yes ☐ No
- Range of Hours: 24-50 Weighted Avg: 36
- Multiple Job Numbers: ☐ Yes ☒ No
- County(ies) Served: San Mateo, San Francisco
- Union Representation: ☐ Yes ☒ No
- Subcontractor: Quovus Incentives of Long Beach will deliver Continuous Improvement Skills for an amount to be determined
- Third Party Services: Quovus Incentives - \$5,746

INTRODUCTION

Fong Brothers Printing, Inc. (Fong Brothers), a family owned company since 1971, is a manufacturer of high end, custom printed and bound materials. Fong Brothers' "one-stop" services include formatting customers' files for printing, digital prepress; electronic file transfer; image capture and retouching; color separation; proofing; and scanning. Additional services include full mailing services, warehousing, and storing projects that need to be shipped in increments. The company's customers consist of large clients in the industrial, consumer electronics, automotive, and retail chain stores industries.

Fong Brothers' prepress and press operators use software applications consisting of PageMaker, PhotoShop, Illustrator, InDesign, CorelDraw, FrameMaker and other Microsoft programs as required for the customization of the customer's orders. However, technology is constantly changing offering a higher resolution of color, graphics capability, and high quality production.

Green Business Certifications

The change in technology also drives the change in the use of printing materials, such as inks, dyes, and paper. It is in this area that customers are becoming more environmentally conscious and, therefore, are requiring that Fong Brothers document its "green business" processes and become certified compliant to environmental standard ISO 14001. The certification is specific to lean and green manufacturing for process improvements towards zero emissions; environmentally preferred purchasing of materials; energy and water conservation methods; and quality operating procedures.

Fong Brothers has also been experiencing an increase in customer demands for environmentally-certified papers. A certification from the Forest Stewardship Council confirms that the paper products carrying the FSC logo have been manufactured using raw materials harvested from certified sources, controlled wood sources or post-consumer reclaimed sources. FSC certified products can be tracked from harvest through distribution.

(FSC is an independent, non-profit organization that supports sustainable forestry through rigorous forest management standards and chain-of-production monitoring.)

Fong Brothers training proposal targets the ISO 14001 Certification and Green Business Practices requirements in order to remain competitive. Training in team building, problem solving, document control, and internal auditing processes are areas that are essential for Fong Brothers move to a high performance workplace. Other areas such as communications skills and production workflow are required for creating a team environment. But the creation of a team requires that workers understand how their specific functions affect the outcome of the final product. Therefore, workers will be trained in the operations of the company's cross-functional departments.

Training under this proposal will build upon workers existing job specific skills and will include new processes in order to achieve new ISO Certification requirements.

Advanced Technology

Fong Brothers is requesting the Advanced Technology (AT) reimbursement rate of \$26 per hour for the delivery of highly advanced technical graphics training for its prepress operators.

Training is essential for the use of upgraded computer design software and the related sophisticated topics which are necessary for the company to expand productivity and efficiency. The new software programs will further allow Fong Brothers to develop products that will blend in the use of new environmentally friendly materials.

The curriculum is highly technical in nature because the courses involve the use of sophisticated technology, equipment, materials, and software. The identified trainees are required to have an advanced level of knowledge, skills, and competencies to be able to comprehend the sophisticated processes.

The AT courses are more expensive to deliver than the less complex, generalized subject matter. The company estimates AT courses cost \$133 per trainee per hour on average. Thus, the cost of highly skilled trainers, sophisticated technical equipment and software, and the related training materials are estimated to exceed the \$26 per hour ETP rate. Fong Brothers has agreed to a maximum of 10 trainees to one trainer for the delivery of the AT skills to allow in-depth coverage and personal attention from the instructor.

RECOMMENDATION

Staff recommends that the Panel approve this proposal and the request to allow AT reimbursement based on Fong Brothers' need to provide employees with the skills necessary for the company's move towards a lean, green, and technologically advanced business.